

**IN THE UNITED STATES BANKRUPTCY COURT  
FOR THE NORTHERN DISTRICT OF TEXAS  
DALLAS DIVISION**

In re:

HIGHLAND CAPITAL MANAGEMENT, L.P.,<sup>1</sup>

Debtor.

Chapter 11

Case No. 19-34054 (SGJ)

NO HEARING WILL BE CONDUCTED HEREON UNLESS A WRITTEN RESPONSE IS FILED WITH THE CLERK OF THE UNITED STATES BANKRUPTCY COURT AT 1100 COMMERCE ST # 1452, DALLAS, TX 75242 BEFORE CLOSE OF BUSINESS ON DECEMBER 30, 2019, WHICH IS AT LEAST 24 DAYS FROM THE DATE OF SERVICE HEREOF.

ANY RESPONSE SHALL BE IN WRITING AND FILED WITH THE CLERK, AND A COPY SHALL BE SERVED UPON COUNSEL FOR THE MOVING PARTY PRIOR TO THE DATE AND TIME SET FORTH HEREIN. IF A RESPONSE IS FILED A HEARING MAY BE HELD WITH NOTICE ONLY TO THE OBJECTING PARTY.

IF NO HEARING ON SUCH NOTICE OR MOTION IS TIMELY REQUESTED, THE RELIEF REQUESTED SHALL BE DEEMED TO BE UNOPPOSED, AND THE COURT MAY ENTER AN ORDER GRANTING THE RELIEF SOUGHT OR THE NOTICED ACTION MAY BE TAKEN.

**APPLICATION OF THE OFFICIAL COMMITTEE OF UNSECURED CREDITORS,  
PURSUANT TO SECTIONS 328 AND 1103 OF THE BANKRUPTCY CODE  
AND FEDERAL RULE OF BANKRUPTCY PROCEDURE 2014, FOR  
AN ORDER APPROVING THE RETENTION AND EMPLOYMENT  
OF SIDLEY AUSTIN LLP AS COUNSEL TO THE OFFICIAL COMMITTEE  
OF UNSECURED CREDITORS, *NUNC PRO TUNC TO OCTOBER 29, 2019***

The duly-appointed Official Committee of Unsecured Creditors (the “Committee”) in the above-captioned chapter 11 case (the “Chapter 11 Case”) of Highland Capital Management, L.P., as debtor and debtor in possession (the “Debtor”), respectfully submits its application (the “Application”) for entry of an order substantially in the form attached hereto as **Exhibit A** (the

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<sup>1</sup> The Debtor’s last four digits of its taxpayer identification number are (6725). The headquarters and service address for the above-captioned Debtor is 300 Crescent Court, Suite 700, Dallas, TX 75201.

“Proposed Order”), pursuant to sections 328 and 1103 of Title 11 of the United States Code (the “Bankruptcy Code”), Rule 2014 of the Federal Rules of Bankruptcy Procedure (the “Bankruptcy Rules”), and Rule 2014-1 of the Local Rules of Bankruptcy Practice and Procedure of the United States Bankruptcy Court for the Northern District of Texas (the “Local Rules”), authorizing the Committee to retain and employ the law firm of Sidley Austin LLP (“Sidley”) as counsel for the Committee, *nunc pro tunc* to October 29, 2019. In support of this Application, the Committee submits the declaration of Bojan Guzina, a partner of Sidley (the “Guzina Declaration”), attached hereto as **Exhibit B**, and the declaration of Eric A. Felton, in his capacity as the representative of the Chairperson of the Committee (the “Felton Declaration”), attached hereto as **Exhibit C**. In further support of this Application, the Committee respectfully represents as follows:

### **JURISDICTION AND VENUE**

1. The United States Bankruptcy Court for the Northern District of Texas (the “Court”) has jurisdiction to consider this Application pursuant to 28 U.S.C. § 1334. Venue of this proceeding and this Application is proper in this district pursuant to 28 U.S.C. §§ 1408 and 1409. This is a core proceeding pursuant to 28 U.S.C. § 157(b)(2).

2. The statutory predicates for the relief requested herein are sections 328(a) and 1103(a) of the Bankruptcy Code, Bankruptcy Rule 2014, and Local Rule 2014-1.

### **STATUS OF THE CASE AND JURISDICTION**

3. On October 16, 2019 (the “Petition Date”), the Debtor commenced a voluntary case under chapter 11 of the Bankruptcy Code in the United States Bankruptcy Court for the District of Delaware (the “Transferor Court”). The Debtor has continued in possession of its properties and is authorized to operate its businesses and manage its properties as a debtor in possession pursuant to sections 1107(a) and 1108 of the Bankruptcy Code.

4. On October 29, 2019, the United States Trustee for Region 3 (the “U.S. Trustee”) appointed the Committee pursuant to Sections 1102(a) and (b) of the Bankruptcy Code. The Committee consists of the following four (4) members: (i) Redeemer Committee of Highland Crusader Fund; (ii) Meta-e Discovery; (iii) UBS Securities LLC and UBS AG London Branch; and (iv) Acis Capital Management, L.P. and Acis Capital Management GP, LLP.

5. At a meeting held on October 29, 2019, the Committee, among other things, voted to retain Sidley as its counsel, subject to this Court’s approval. The Committee seeks to retain Sidley effective as of October 29, 2019, as Sidley began providing legal services to the Committee as of such date and has been actively advising the Committee since that date.

6. On November 1, 2019, the Committee filed its *Motion of the Official Committee of Unsecured Creditors for an Order Transferring Venue of this Case to the United States Bankruptcy Court for the Northern District of Texas* (the “Venue Motion”). At the hearing held on December 2, 2019 (the “Venue Hearing”), the Transferor Court granted the Venue Motion and the case was transferred to this Court.

### **RELIEF REQUESTED**

7. By this Application, the Committee seeks entry of the Proposed Order authorizing the retention and employment of Sidley as its counsel in this Chapter 11 Case effective as of October 29, 2019. The Committee requests that the Court approve the Committee’s retention of Sidley in accordance with the terms and conditions set forth herein and in the Guzina Declaration.

### **SIDLEY’S QUALIFICATIONS**

8. Sidley is a full-service law firm with a national and international presence. Sidley has more than 2,000 lawyers in twenty offices in the United States, Europe, Asia and Australia. Sidley has expertise in nearly every major substantive area of legal practice, and its clients include leading public companies and privately held businesses in a variety of industries. Sidley’s

restructuring practice is comprised of approximately fifty attorneys, plus attorneys in numerous other principal areas of practice who work on restructuring matters on a regular basis.

9. The Committee has selected Sidley to represent the Committee in this Chapter 11 Case. The Committee selected Sidley primarily because of Sidley's extensive experience in the fields of restructuring, bankruptcy and creditors' rights and, in particular, its experience representing official and ad hoc creditor committees in a number of large and complex chapter 11 reorganization cases, including In re Jack Cooper Industries, Case No. 19-62393 (PWB) (Bankr. N.D. Ga. 2019); In re Republic Airways, Inc., Case No. 16-10426 (SHL) (Bankr. S.D.N.Y. 2016); In re CHC Helicopter, Inc., Case No. 16-31854 (BJH) (Bankr. N.D. Tex. 2016); In re Genco Shipping & Trading Limited, Case No. 14-11108 (SHL) (Bankr. S.D.N.Y. 2014); In re Powerwave Technologies, Inc., Case No. 13-10134 (MFW) (Bankr. D. Del. 2013); and In re Allied Systems Holdings, Inc., Case No. 12-11564 (CSS) (Bankr. D. Del. 2012). In addition, Sidley is frequently retained to act as general restructuring counsel for debtors in complex chapter 11 cases, including in the following cases (among others): In re Legacy Reserves Inc., Case No. 19-33395 (MI) (Bankr. S.D. Tex. 2019); In re Maremont Corp., Case No. 19-10118 (KJC) (Bankr. D. Del. 2019); In re Mattress Firm, Inc., Case No. 18-12241 (CSS); (Bankr. D. Del. 2018); In re RM Holdco LLC, Case No. 18-11795 (MFW) (Bankr. D. Del. 2018); In re HCR ManorCare, Inc., Case No. 18-10467 (KG) (Bankr. D. Del. 2018); In re Key Energy Servs., Inc., Case No. 16-12306 (BLS) (Bankr. D. Del. 2016); In re UCI Int'l, LLC, Case No. 16-11354 (MFW) (Bankr. D. Del. 2016); In re LDK Solar Sys., Inc., Case No. 14-12384 (PJW) (Bankr. D. Del. 2014); In re Yarway Corp., Case No. 13-11025 (BLS) (Bankr. D. Del. 2013); In re Rodeo Creek Gold Inc., Case No. 13-50301 (MKN) (Bankr. D. Nev. 2013); and In re Lee Enters., Inc., Case No. 11-13918 (KG) (Bankr. D. Del. 2011).

**SCOPE OF SIDLEY'S PROPOSED SERVICES TO THE COMMITTEE**

9. Sidley is expected to render such legal services as the Committee may request in order to discharge the Committee's responsibilities and further the interests of the Committee's constituents in this Chapter 11 Case. Specifically, the Committee expects that Sidley will assist, advise and represent the Committee with respect to the following matters, without limitation:

- (a) The administration of these cases and the exercise of oversight with respect to the Debtor's affairs, including all issues relating to the Debtor, the Committee or this Chapter 11 Case;
- (b) The preparation of pleadings on behalf of the Committee, including without limitation, statements, motions, applications, memoranda, adversary complaints, objections or comments in connection with any matter related to the Debtor or this Chapter 11 Case;
- (c) The review and analysis of motions, applications, orders, statements, operating reports and schedules filed with the Court and providing advice to the Committee in connection therewith;
- (d) Appearances in Court, participation in litigation as a party-in-interest, and participation at statutory meetings of creditors to represent the interests of the Committee;
- (e) The investigation and analysis of any potential claims against the Debtor's non-debtor affiliates and other third parties;
- (f) The negotiation, formulation, drafting and confirmation of any plan or plans of reorganization or liquidation and matters related thereto;
- (g) The negotiation and evaluation of the use of cash collateral, any proposed debtor-in-possession financing, and any other potential financing alternatives;
- (h) The evaluation of any proposed restructuring support agreement and any other potential restructuring alternatives;
- (i) The analysis of any proposed employee compensation, incentive and retention payment plans, and evaluation of the propriety thereof;
- (j) Investigation of, among other things, unencumbered assets, liabilities, financial condition of the Debtor, prior transactions, and operational issues concerning the Debtor that may be relevant to this Chapter 11 Case;

- (k) The evaluation, negotiation and formulation of any proposed sale of any of the Debtor's assets, including pursuant to section 363 of the Bankruptcy Code;
- (l) Communications with the Committee's constituents in furtherance of its responsibilities including, but not limited to, communications required under section 1102 of the Bankruptcy Code; and
- (m) The performance of all of the Committee's duties and powers under the Bankruptcy Code and the Bankruptcy Rules and the performance of such other services as requested by the Committee.

10. As noted above, the Committee selected Sidley as its proposed lead counsel on October 29, 2019, and requested that Sidley immediately commence work on time-sensitive matters and promptly devote substantial resources to this Chapter 11 Case prior to the submission and approval of this Application. Since it was engaged by the Committee, Sidley, on behalf of the Committee, has been focused on, among other things: (a) conducting diligence on the Debtor's business operations; (b) reviewing the relief sought in the various "first day" and "second day" motions filed by the Debtor; (c) seeking information from the Debtor through both formal and informal discovery and information requests; (d) securing the transfer of this Case to this Court by drafting and arguing the Venue Motion; and (e) actively negotiating, and where necessary objecting to, the relief sought by the Debtor to date. Accordingly, the Committee requests approval of the Application as of the date that Sidley was retained by the Committee, October 29, 2019.

### **PROFESSIONAL COMPENSATION**

11. Sidley intends to apply to the Court for allowance of compensation earned for professional services and reimbursement of expenses incurred in connection with this Chapter 11 Case in accordance with the applicable provisions of the Bankruptcy Code, the Bankruptcy Rules, the Local Rules, and any applicable orders of the Court. Sidley will also make a reasonable effort to comply with the requests for information and additional disclosures as set forth in the *Guidelines for Reviewing Applications for Compensation and Reimbursement of Expenses Filed under 11*

*U.S.C. § 330 by Attorneys in Larger Chapter 11 Cases* Effective as of November 1, 2013 (the “U.S. Trustee Guidelines”), both in connection with this Application and any applications for compensation and reimbursement of expenses to be filed by Sidley in this Chapter 11 Case.

12. Sidley will charge for its legal services on an hourly basis at its ordinary and customary rates in effect on the date that such services are rendered and will seek the reimbursement of all costs and expenses incurred by Sidley in connection with its representation of the Committee. Sidley’s billing rates for attorneys and paraprofessionals who may work on this matter currently range from \$520 to \$1,250 per hour for attorneys and \$435 for paraprofessionals. The following attorneys and paraprofessionals are presently expected to have primary responsibility for providing services to the Committee (hourly billing rates noted in parentheses): Penny Reid (\$1,250); Matthew A. Clemente (\$1,275); Bojan Guzina (\$1,275); Dennis M. Twomey (\$1,275); Paige Holden Montgomery (\$1,000); Charles Persons (\$975); Alyssa Russell (\$885); Elliot Bromagen (\$775); Justin F. Song (\$775); Juliana Hoffman (\$675); Chandler Rognes (\$540); Trevor Grayeb (\$570); and David J. Lutes (\$435). The Committee anticipates that additional Sidley attorneys and paraprofessionals will provide services to the Committee as necessary.<sup>2</sup>

13. Sidley’s hourly billing rates are designed to fairly compensate Sidley for the work of its attorneys and paraprofessionals and to cover fixed and routine expenses. These hourly rates vary with the experience and seniority of each professional and are subject to periodic adjustments to reflect economic and other conditions,<sup>3</sup> with the hourly rate charged being the hourly rate in

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<sup>2</sup> Sidley does not anticipate using contract attorneys during this Chapter 11 Case. Nevertheless, in the unlikely event that it becomes necessary to use contract attorneys, Sidley will not charge a markup with respect to fees billed by such attorneys. Moreover, any contract attorneys or non-attorneys who are employed in connection with work performed by Sidley will be subject to conflict checks and disclosures in accordance with the Bankruptcy Code.

<sup>3</sup> For example, like many of its peer law firms, Sidley increases the hourly billing rate of attorneys and paraprofessionals annually in the form of (a) step increases historically awarded in the ordinary course on the basis of advancing seniority and promotion and (b) periodic increases within each attorney’s and paraprofessional’s current level of seniority. The step increases do not constitute “rate increases” (as that term is used in the U.S. Trustee Guidelines). As set forth in the Proposed Order, Sidley will provide ten business days’ notice to the Debtors, the

effect on the date that the services are performed. In all appropriate circumstances, Sidley will employ the services of associates and paraprofessionals having lower hourly rates in order to minimize administrative expenses to the Debtor's estate. In addition, Sidley and the Committee have agreed to a ten percent (10%) reduction of Sidley's standard hourly billing rates for this engagement.

14. In addition to the hourly rates set forth above, Sidley customarily charges its clients for the variable costs and expenses incurred in connection with its services, including mail and express mail charges, special- and hand-delivery charges, photocopying charges, travel expenses, transcription costs, expenses for "working meals," computerized research costs, and charges and fees of outside vendors, consultants and service providers. Sidley does not charge its clients for incoming or outgoing facsimile transmissions.

#### **SIDLEY'S DISINTERESTEDNESS**

15. As described in the Guzina Declaration, in connection with its proposed retention by the Committee in this Chapter 11 Case, Sidley conducted a search of its electronic conflicts database with respect to the Debtor and a list of potential parties in interest in these chapter 11 cases (collectively, the "Potential Parties in Interest"). The Potential Parties in Interest and the results of the conflicts search are set forth on Schedule 1 and Schedule 2 to the Guzina Declaration, respectively. As disclosed in the Guzina Declaration, (a) Sidley is a "disinterested person" within the meaning of section 101(14) of the Bankruptcy Code and does not hold or represent an interest adverse to the Debtor's estate and (b) has no connection to the Debtor, its creditors, or other parties in interest, except as may be disclosed in the Guzina Declaration.

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Office of the United States Trustee for the Northern District of Texas (the "U.S. Trustee"), and the Committee before implementing any periodic increases and shall file such notice with the Court.



16. Given the large number of parties in interest in this Chapter 11 Case and because the information on **Schedule 1** may change during the pendency of this Chapter 11 Case, Sidley is not able conclusively to identify all relationships or potential relationships with all creditors or other parties in interest in this Chapter 11 Case. If any new relevant facts or relationships are discovered or arise, Sidley will use reasonable efforts to identify such further developments and will promptly file a supplemental declaration, as required by Bankruptcy Rule 2014(a).

### **BASIS FOR RELIEF**

17. The Committee seeks to retain Sidley as its counsel in accordance with sections 328(a) and 1103 of the Bankruptcy Code. Section 328(a) authorizes a committee appointed under section 1102 of the Bankruptcy Code, with the court's approval, to employ a "professional person under section 327 or 1103 of this title, as the case may be, on any reasonable terms and conditions of employment, including on a retainer, on an hourly basis, on a fixed or percentage fee basis, or on a contingent fee basis." 11 U.S.C. § 328(a). Section 1103, in turn, requires that an attorney employed to represent a committee "may not, while employed by such committee, represent any other entity having an adverse interest in connection with the case." 11 U.S.C. § 1103.

18. The Committee submits that for all of the reasons stated above and in the Guzina Declaration, the retention and employment of Sidley as counsel to the Committee should be approved under sections 328(a) and 1103. Further, as described in the Guzina Declaration, Sidley does not represent any entity in connection with this Chapter 11 Case other than the Committee, is a "disinterested person" as that term is defined in section 101(14) of the Bankruptcy Code, and does not represent or hold any interest adverse to the Debtor's estates.

### **NOTICE**

19. Sidley has provided notice of this Application to: (i) the Debtor, (ii) the U.S. Trustee, and (iii) any party that has requested notice pursuant to Local Rule 2002-1 as of the date

of this Application. A copy of this Application is also available on the website of the Debtor's notice and claims agent at <https://www.kccllc.net/hcmlp/>. In light of the nature of the relief requested herein, the Committee respectfully submit that no further notice is required.

*[Remainder of Page Intentionally Left Blank]*

WHEREFORE the Committee respectfully requests that the Court enter the Proposed Order, substantially in the form attached hereto as Exhibit A, granting the relief requested herein and granting such other and further relief as the Court deems just and proper.

Dated: December 6, 2019  
Chicago, Illinois

THE OFFICIAL COMMITTEE OF UNSECURED  
CREDITORS OF HIGHLAND CAPITAL  
MANAGEMENT, L.P.

By: Redeemer Committee of the Highland Crusader  
Fund, in its capacity as Chairperson of the Committee

By: 

Name: Eric A. Felton

**EXHIBIT A**

**Proposed Order**

**IN THE UNITED STATES BANKRUPTCY COURT  
FOR THE NORTHERN DISTRICT OF TEXAS  
DALLAS DIVISION**

In re:

HIGHLAND CAPITAL MANAGEMENT, L.P.,<sup>1</sup>

Debtor.

Chapter 11

Case No. 19-34054 (SGJ)

**ORDER AUTHORIZING THE RETENTION AND EMPLOYMENT OF SIDLEY  
AUSTIN LLP AS COUNSEL TO THE OFFICIAL COMMITTEE OF  
UNSECURED CREDITORS *NUNC PRO TUNC* TO OCTOBER 29, 2019**

Upon the application (the “Application”)<sup>2</sup> of the Committee in the above-captioned Chapter 11 Case for entry of an order, pursuant to sections 328 and 1103 of Title 11 of the

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<sup>1</sup> The Debtor’s last four digits of its taxpayer identification number are (6725). The headquarters and service address for the above-captioned Debtor is 300 Crescent Court, Suite 700, Dallas, TX 75201.

<sup>2</sup> Capitalized terms used but not defined herein shall have the meanings ascribed to such terms in the Application.

Bankruptcy Code, Bankruptcy Rule 2014 and Local Rule 2014-1, authorizing the Committee to retain and employ Sidley as counsel for the Committee *nunc pro tunc* to October 29, 2019; and the Court being satisfied, based on the representations made in the Application and the Guzina Declaration, that Sidley is a “disinterested person” as defined in section 101(14) of the Bankruptcy Code and is qualified to represent the Committee; and this Court having jurisdiction over this matter pursuant to 28 U.S.C. § 1334; and consideration of the Application and the requested relief being a core proceeding pursuant to 28 U.S.C. § 157(b)(2); and appropriate notice of and the opportunity for a hearing on the Application having been given; and the Court having determined that the legal and factual bases set forth in the Application establish just cause for the relief granted herein; and after due deliberation and sufficient cause appearing therefor, it is HEREBY ORDERED THAT:

1. The Application is GRANTED as set forth herein.
2. The Committee is authorized to retain and employ Sidley as its attorneys, *nunc pro tunc* to October 29, 2019, in accordance with the terms and conditions set forth in the Application.
3. Sidley shall apply for compensation earned for professional services rendered and reimbursement of expenses incurred in connection with the Chapter 11 Case in compliance with sections 330 and 331 of the Bankruptcy Code and the applicable provisions of the Bankruptcy Rules, the Local Rules and any other applicable procedures and orders of the Court. Sidley shall also make a reasonable effort to comply with the requests for information and additional disclosures as set forth in the U.S. Trustee Guidelines, both in connection with the Application and all applications for compensation and reimbursement of expenses that may be filed by Sidley.
4. The Committee and Sidley are authorized and empowered to take all actions necessary to implement the relief granted in this Order.

5. Sidley shall provide ten (10) days' notice to the Debtor and the U.S. Trustee prior to the implementation of any increases in the hourly billing rates as set forth in the Application, and such notice must be filed with the Court.

6. The terms and conditions of this Order shall be immediately effective and enforceable upon its entry.

7. This Court shall retain exclusive jurisdiction to hear and determine all matters arising from or related to the implementation, interpretation, and/or enforcement of this Order.

### End of Order ###

**EXHIBIT B**

**Guzina Declaration**



**IN THE UNITED STATES BANKRUPTCY COURT  
FOR THE NORTHERN DISTRICT OF TEXAS  
DALLAS DIVISION**

In re:

HIGHLAND CAPITAL MANAGEMENT, L.P.,<sup>1</sup>

Debtor.

Chapter 11

Case No. 19-34054 (SGJ)

**DECLARATION OF BOJAN GUZINA IN SUPPORT OF APPLICATION OF  
THE OFFICIAL COMMITTEE OF UNSECURED CREDITORS, PURSUANT TO  
SECTIONS 328 AND 1103 OF THE BANKRUPTCY CODE AND FEDERAL RULE  
OF BANKRUPTCY PROCEDURE 2014, FOR AN ORDER APPROVING THE  
RETENTION AND EMPLOYMENT OF SIDLEY AUSTIN LLP AS COUNSEL TO  
THE OFFICIAL COMMITTEE OF UNSECURED CREDITORS**

BOJAN GUZINA makes this declaration under 28 U.S.C. § 1746, and states the following:

1. I am an attorney at law and in good standing to practice in the State of Illinois and before the United States District Court for the Northern District of Illinois.
2. I am a partner of the law firm of Sidley Austin LLP ("Sidley"), located at One South Dearborn Street, Chicago, IL 60603.
3. I submit this declaration (the "Declaration") in support of the application (the "Application")<sup>2</sup> of the Official Committee of Unsecured Creditors (the "Committee") in the Chapter 11 Case of the above-captioned Debtor for entry of an order authorizing the retention and employment of Sidley as counsel to the Committee, *nunc pro tunc* to October 29, 2019.
4. Unless otherwise stated in this Declaration, I have personal knowledge of the facts set forth herein.

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<sup>1</sup> The Debtor's last four digits of its taxpayer identification number are (6725). The headquarters and service address for the above-captioned Debtor is 300 Crescent Court, Suite 700, Dallas, TX 75201.

<sup>2</sup> Capitalized terms not otherwise defined herein shall have the meanings ascribed to them in the Application.

**SCOPE OF SIDLEY'S PROPOSED SERVICES TO THE COMMITTEE**

5. Sidley is expected to render such legal services as the Committee may request in order to discharge the Committee's responsibilities and further the interests of the Committee's constituents in this Chapter 11 Case. Specifically, the Committee expects that Sidley will assist, advise and represent the Committee with respect to the following matters, without limitation:

- (a) The administration of these cases and the exercise of oversight with respect to the Debtor's affairs including all issues relating to the Debtor, the Committee or this Chapter 11 Case;
- (b) The preparation of pleadings on behalf of the Committee, including without limitation, statements, motions, applications, memoranda, adversary complaints, objections or comments in connection with any matter related to the Debtor or this Chapter 11 Case;
- (c) The review and analysis of motions, applications, orders, statements, operating reports and schedules filed with the Court and providing advice to the Committee in connection therewith;
- (d) Appearances in Court, participation in litigation as a party-in-interest, and participation at statutory meetings of creditors to represent the interests of the Committee;
- (e) The investigation and analysis of any potential claims against the Debtor's non-debtor affiliates and other third parties;
- (f) The negotiation, formulation, drafting and confirmation of any plan or plans of reorganization or liquidation and matters related thereto;
- (g) The negotiation and evaluation of the use of cash collateral, any proposed debtor-in-possession financing and any other potential financing alternatives;
- (h) The evaluation of any proposed restructuring support agreement and any other potential restructuring alternatives;
- (i) The analysis of any proposed employee compensation, incentive and retention payment plans, and evaluation of the propriety thereof;
- (j) Investigation of, among other things, unencumbered assets, liabilities, financial condition of the Debtor, prior transactions, and operational issues concerning the Debtor that may be relevant to this Chapter 11 Case;

- (k) The evaluation, negotiation and formulation of any proposed sale of any of the Debtor's assets, including pursuant to section 363 of the Bankruptcy Code;
- (l) Communications with the Committee's constituents in furtherance of its responsibilities including, but not limited to, communications required under section 1102 of the Bankruptcy Code; and

The performance of all of the Committee's duties and powers under the Bankruptcy Code and the Bankruptcy Rules and the performance of such other services as requested by the Committee

6. As noted above, the Committee selected Sidley as its proposed lead counsel on October 29, 2019, and requested that Sidley immediately commence work on time-sensitive matters and promptly devote substantial resources to this Chapter 11 Case prior to the submission and approval of this Application. Since it was engaged by the Committee, Sidley, on behalf of the Committee, has been focused on, among other things: (a) conducting diligence on the Debtor's business operations; (b) reviewing the relief sought in the various "first day" and "second day" motions filed by the Debtor; (c) seeking information from the Debtor through both formal and informal discovery and information requests; and (d) actively negotiating, and where necessary objecting to, the relief sought by the Debtor to date. Accordingly, the Committee requests approval of the Application as of the date that Sidley was retained by the Committee, October 29, 2019.

#### **PROFESSIONAL COMPENSATION**

7. Sidley intends to apply to the Court for allowance of compensation earned for professional services and reimbursement of expenses incurred in connection with this Chapter 11 Case in accordance with the applicable provisions of the Bankruptcy Code, the Bankruptcy Rules, the Local Rules, and any applicable orders of the Court. Sidley will also make a reasonable effort to comply with the requests for information and additional disclosures as set forth in the *Guidelines for Reviewing Applications for Compensation and Reimbursement of Expenses Filed under 11 U.S.C. § 330 by Attorneys in Larger Chapter 11 Cases* Effective as of November 1, 2013 (the

“U.S. Trustee Guidelines”), both in connection with this Application and any applications for compensation and reimbursement of expenses to be filed by Sidley in this Chapter 11 Case.

8. Sidley will charge for its legal services on an hourly basis at its ordinary and customary rates in effect on the date that such services are rendered and will seek the reimbursement of all costs and expenses incurred by Sidley in connection with its representation of the Committee. Sidley’s billing rates for attorneys and paraprofessionals who may work on this matter currently range from \$520 to \$1,250 per hour for attorneys and \$435 for paraprofessionals. The following attorneys and paraprofessionals are presently expected to have primary responsibility for providing services to the Committee (hourly billing rates noted in parentheses): Penny Reid (\$1,250); Matthew A. Clemente (\$1,275); Bojan Guzina (\$1,275); Dennis M. Twomey (\$1,275); Paige Holden Montgomery (\$1,000); Charles Persons (\$925); Alyssa Russell (\$885); Elliot Bromagen (\$775); Justin F. Song (\$775); Juliana Hoffman (\$675); Chandler Rognes (\$540); Trevor Grayeb (\$570); and David J. Lutes (\$435). The Committee anticipates that additional Sidley attorneys and paraprofessionals will provide services to the Committee as necessary.<sup>3</sup>

9. Sidley’s hourly billing rates are designed to fairly compensate Sidley for the work of its attorneys and paraprofessionals and to cover fixed and routine expenses. These hourly rates vary with the experience and seniority of each professional and are subject to periodic adjustments to reflect economic and other conditions,<sup>4</sup> with the hourly rate charged being the hourly rate in

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<sup>3</sup> Sidley does not anticipate using contract attorneys during this Chapter 11 Case. Nevertheless, in the unlikely event that it becomes necessary to use contract attorneys, Sidley will not charge a markup with respect to fees billed by such attorneys. Moreover, any contract attorneys or non-attorneys who are employed in connection with work performed by Sidley will be subject to conflict checks and disclosures in accordance with the Bankruptcy Code.

<sup>4</sup> For example, like many of its peer law firms, Sidley increases the hourly billing rate of attorneys and paraprofessionals annually in the form of (a) step increases historically awarded in the ordinary course on the basis of advancing seniority and promotion and (b) periodic increases within each attorney’s and paraprofessional’s current level of seniority. The step increases do not constitute “rate increases” (as that term is used in the U.S. Trustee Guidelines). As set forth in the Proposed Order, Sidley will provide ten business days’ notice to the Debtors, the Office of the United States Trustee for the Northern District of Texas (the “U.S. Trustee”), and the Committee before implementing any periodic increases and shall file such notice with the Court.

effect on the date that the services are performed. In all appropriate circumstances, Sidley will employ the services of associates and paraprofessionals having lower hourly rates in order to minimize administrative expenses to the Debtor's estate. In addition, Sidley and the Committee have agreed to a ten percent (10%) reduction of Sidley's standard hourly billing rates for this engagement.

10. In addition to the hourly rates set forth above, Sidley customarily charges its clients for the variable costs and expenses incurred in connection with its services, including mail and express mail charges, special- and hand-delivery charges, photocopying charges, travel expenses, transcription costs, expenses for "working meals," computerized research costs, and charges and fees of outside vendors, consultants and service providers. Sidley does not charge its clients for incoming or outgoing facsimile transmissions.

#### **SIDLEY'S DISINTERESTEDNESS**

11. As described in this Declaration, in connection with its proposed retention by the Committee in this Chapter 11 Case, Sidley conducted a search of its electronic conflicts database with respect to the Debtor and a list of potential parties in interest in these chapter 11 cases (collectively, the "Potential Parties in Interest"). The Potential Parties in Interest and the results of the conflicts search are set forth on **Schedule 1** and **Schedule 2** to this declaration, respectively.

(a) Sidley is a "disinterested person" within the meaning of section 101(14) of the Bankruptcy Code and does not hold or represent an interest adverse to the Debtor's estate and (b) has no connection to the Debtor, their creditors, or other parties in interest, except as may be disclosed in Schedule 1 and Schedule 2.

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12. Given the large number of parties in interest in this Chapter 11 Case and because the information on **Schedule 1** may change during the pendency of this Chapter 11 Case, Sidley is not able conclusively to identify all relationships or potential relationships with all creditors or other parties in interest in this Chapter 11 Case. If any new relevant facts or relationships are discovered or arise, Sidley will use reasonable efforts to identify such further developments and will promptly file a supplemental declaration, as required by Bankruptcy Rule 2014(a).

**AFFIRMATIVE STATEMENT OF DISINTERESTEDNESS**

13. To the best of my knowledge, based on the conflicts searches conducted to date and as described in detail on Schedule 2, it appears that Sidley (a) does not hold or represent an interest that is adverse to the Committee, the Debtor or the Debtor's estate, (b) is a "disinterested person" within the meaning of section 101(14) of the Bankruptcy Code, and (c) does not hold or represent any interest adverse to and has no connection with the Committee, the Debtor, their creditors, the U.S. Trustee for Region 6 or any party-in-interest in this Chapter 11 Case, subject to the disclosures set forth in this Declaration, including Schedule 2. Also, Sidley does not and will not in the future represent any entities other than the Committee in matters directly related to this Chapter 11 Case.

\* \* \* \*

Pursuant to 28 U.S.C. § 1746, I declare under penalty of perjury that the foregoing is true and correct to the best of my knowledge and belief.

Dated: December 6th, 2019

/s/ Bojan Guzina

Bojan Guzina

Partner

Sidley Austin LLP

**Schedule 1**

**Potential Parties in Interest**



**Debtor**

Highland Capital Management L.P.

**Professionals**

Bradley Sharp  
Development Specialists, Inc.  
Kurtzman Carson Consultants LLC  
Pachulski Stang Ziehl & Jones LLP  
Jenner & Block  
Morris, Nichols, Arsht & Tunnel LLP  
Morrison Cohen LLP  
Latham & Watkins LLP  
Richards Layton & Finger  
Winstead PC  
Rogge Dunn Group, PC  
Blank Rome LLP  
FTI Consulting  
Young Conaway Stargatt & Taylor  
Reid Collins Tsai  
Deloitte  
Price Waterhouse Coopers  
Maples (Cayman)  
Bell Nunnally  
Rowlett Hill Collins LLP  
Anderson Mori & Tomotsune  
Culhane Meadows PLLC  
Kim & Chang  
Willkie Farr & Gallagher LLP  
Wilmer Hale  
Carey Olsen  
ASW Law  
Eric Felton  
Morris, Nichols, Arsht & Tunnell LLP  
Morrison Cohen LLP  
Latham & Watkins LLP  
Richards Layton & Finger  
Winstead PC  
Rogge Dunn Group, PC  
Blank Rome LLP

**Top 20 Unsecured Creditors**

Acis Capital Management GP, LLC  
Acis Capital Management, LP  
American Arbitration Association  
Andrews Kurth LLP  
Bates White, LLC

Boies, Schiller & Flexner LLP  
CLO Holdco, Ltd  
Connolly Gallagher LLP  
Debevoise & Plimpton LLP  
DLA Piper US LLP  
Duff & Phelps, LLC  
Foley Gardere  
Joshua & Jennifer Terry  
Lackey Hershman LLP  
McKool Smith, PC  
Meta-e Discovery LLC  
NWCC, LLC  
Patrick Daugherty  
Redeemer Committee of the Highland  
Crusader Fund  
Reid Collins & Tsai LLP  
UBS AG, London Branch  
UBS Securities LLC

**Equity Security Holders**

Atlas IDF GP LLC  
Beacon Mountain LLC  
Crown Global Insurance Company  
Hunter Mountain Investment Trust  
James Dondero  
John Honia  
Mark K. Okada  
Rand PE Fund Management LLC  
Strand Advisors, Inc.  
The Dugaboy Investment Trust  
The Mark and Pamela Okada Family Trust

**Affiliated Parties**

Acis CLO Management GP, LLC  
Acis Management Holdings, LP  
Acis CLO Management Intermediate  
Holdings I, LLC  
Acis CLO Management Intermediate  
Holdings II, LLC  
Acis CLO Management, LLC  
Acis SMOA Trust  
Advisory Equity Group LLC  
Argentina Funds  
Asbury Holdings, LLC  
Castle Bio Manager, LLC

De Kooning, Ltd  
Eagle Equity Advisors, LLC  
Eames, Ltd  
Falcon E&P Opportunities Fund GP LLC  
Governance Ltd  
Governance RE Ltd  
Gunwale LLC  
HCF Funds  
HCMS Falcon GP LLC  
HCRE Partners, LLC  
HCREF-I Holding Corp.  
HCREF-XI Holding Corp.  
HCREF-XII Holding Corp.  
HE Capital Fox Trails, LLC  
HE Capital, LLC  
HE Mezz Fox Trails, LLC  
HE Peoria Place Property, LLC  
HE Peoria Place, LLC  
HFP CDO Construction Corp.  
HFP GP, LLC  
Highland Argentina Regional Opportunity Fund GP, LLC  
Highland Brasil, LLC  
Highland Capital Insurance Solutions, GP, LLC  
Highland Capital Management (Singapore) Pte Ltd  
Highland Capital Management Korea Limited  
Highland Capital Management Services Inc.  
Highland Capital Multi-Strategy Fund, LP  
Highland Capital of New York  
Highland Capital Special Allocation, LLC  
Highland CDO Holding Company  
Highland CDO Opportunity Fund GP, LP  
Highland CDO Opportunity GP, LLC  
Highland CLO Assets Holdings Limited  
Highland CLO Holdings Ltd  
Highland CLO Management, Ltd  
Highland Crusader Fund  
Highland Dynamic Income Fund GP, LLC  
Highland Employee Retention Assets LLC  
Highland ERA Management, LLC  
Highland Financial Corp.  
Highland Financial Partners, LP  
Highland Fund Holdings, LLC

Highland HCF Advisor Ltd  
Highland Latin America Consulting, Ltd  
Highland Latin America GP, Ltd  
Highland Latin America LP, Ltd  
Highland Latin America Trust  
Highland Multi Strategy Credit Fund GP, LP  
Highland Multi Strategy Credit Fund, LP  
Highland Multi Strategy Credit GP, LLC  
Highland Multi-Strategy Fund GP, LLC  
Highland Multi-Strategy Fund GP, LP  
Highland Multi-Strategy Master Fund, LP  
Highland Multi-Strategy Onshore Master SubFund II, LLC  
Highland Multi-Strategy Onshore Master SubFund, LLC  
Highland Receivables Finance I, LLC  
Highland Restoration Capital Partners GP, LLC  
Highland Select Equity GP, LLC  
Highland Select Equity Master Fund, LP  
Highland Special Opportunities Holding Company  
Highland SunBridge GP, LLC  
Hirst, Ltd  
Hockner, Ltd  
Lautner, Ltd  
Maple Avenue Holdings, LLC  
Neutra, Ltd  
NexAnnuity Holdings Inc.  
NexBank Capital Inc.  
NexBank Securities Inc.  
NexBank SSB  
NexBank Wealth Advisors  
NexPoint Advisors GP LLC  
NexPoint Capital Inc.  
NexPoint Funds  
NexPoint Insurance Distributors, LLC  
NexPoint Insurance Solutions GP, LLC  
NexPoint Insurance Solutions, LP  
NexPoint Real Estate Advisors GP, LLC  
NexPoint Securities Inc.  
NHT Holdco, LLC  
NREA SE MF Holdings, LLC  
NREA SE MF Investment Co. LLC  
NREA SE Multifamily, LLC

NREA SE1 Andros Isles Leaseco, LLC  
 NREA SE1 Andros Isles Manager, LLC  
 NREA SE1 Arborwalk Leaseco, LLC  
 NREA SE1 Arborwalk Manager, LLC  
 NREA Se1 Towne Crossing Leaseco, LLC  
 NREA SE1 Towne Crossing Manager, LLC  
 NREA SE1 Walker Ranch Leaseco, LLC  
 NREA SE1 Walker Ranch Manager, LLC  
 NREA SE2 Hidden Lake Leaseco, LLC  
 NREA SE2 Hidden Lake Manager, LLC  
 NREA SE2 Vista Ridge Leaseco, LLC  
 NREA SE2 Vista Ridge Manager, LLC  
 NREA SE2 West Place Leaseco, LLC  
 NREA SE2 West Place Manager, LLC  
 NREA SE 3 Arboleda Leaseco, LLC  
 NREA SE3 Arboleda Manager, LLC  
 NREA SE3 Fairways Leaseco, LLC  
 NREA SE3 Fairways Manager, LLC  
 NREA SE3 Grand Oasis Leaseco, LLC  
 NREA SE3 Grand Oasis Manager, LLC  
 NREA Southeast Portfolio One Manager, LLC  
 NREA Southeast Portfolio Three Manager, LLC  
 NREA Southeast Portfolio Two Manager, LLC  
 Oldenburg, Ltd  
 Penant Management LP  
 Pershing LLC  
 PetroCap Inventive Partners III, LP  
 Pollack, Ltd  
 SE Battleground Park, LLC  
 SE Glenview, LLC  
 SE Governors Green II, LLC  
 SE Gulfstream Isles GP, LLC  
 SE Gulfstream Isles LP, LLC  
 SE Heights at Olde Towne, LLC  
 SE Lakes at Renaissance Park GP I, LLC  
 SE Lakes at Renaissance Park GP II, LLC  
 SE Lakes at Renaissance Park LP, LLC  
 SE Multifamily Holdings LLC  
 SE Multifamily REIT Holdings LLC  
 SE Myrtles at Olde Towne, LLC  
 SE Quail Landing, LLC  
 SE River Walk, LLC  
 SE SM, Inc.

SE Stoney Ridge II, LLC  
 SE Victoria Park, LLC  
 SH Castle BioSciences, LLC  
 Spiritus Life Inc.  
 Starck, Ltd.  
 Stonebridge PEF  
 Strand Advisors XVL Inc.  
 The Dondero Insurance Rabbi Trust  
 The Ohio State Life Insurance Company  
 The Okada Insurance Rabbi Trust  
 Thread 55 LLC  
 Tihany, Ltd  
 Tricor Business Outsourcing  
 US Gaming SPV, LLC  
 US Gaming, LLC  
 Warhol, Ltd  
 Wright, Ltd

#### **Other Parties**

11 Estates Lane, LLC  
 1110 Waters, LLC  
 140 Albany, LLC  
 1525 Dragon, LLC  
 17720 Dickerson, LLC  
 1905 Wylie LLC  
 2006 Milam East Partners GP, LLC  
 2006 Milam East Partners, L.P.  
 201 Tarrant Partners, LLC  
 2014 Corpus Weber Road LLC  
 2325 Stemmons HoldCo, LLC  
 2325 Stemmons Hotel Partners, LLC  
 2325 Stemmons TRS, Inc.  
 300 Lamar, LLC  
 3409 Rosedale, LLC  
 3801 Maplewood, LLC  
 3801 Shenandoah, L.P.  
 3820 Goar Park LLC  
 400 Seaman, LLC  
 401 Ame, L.P.  
 4201 Locust, L.P.  
 4312 Belclaire, LLC  
 5833 Woodland, L.P.  
 5906 DeLoache, LLC  
 5950 DeLoache, LLC  
 7758 Ronnie, LLC  
 7759 Ronnie, LLC  
 AA Shotguns, LLC  
 Aberdeen Loan Funding, Ltd.  
 Acis CLO 2017-7 Ltd

Acis CLO Trust  
 Allenby, LLC  
 Allisonville RE Holdings, LLC  
 AM Uptown Hotel, LLC  
 Apex Care, L.P.  
 Ascendant Advisors  
 Asury Holdings, LLC (fka HCSLR Camelback Investors (Delaware), LLC)  
 Atlas IDF LP  
 Atlas IDF, LP  
 Baylor University  
 BB Votorantim Highland Infrastructure, LLC  
 BDC Toys Holdco, LLC  
 BH Willowdale Manager, LLC  
 Big Spring Partners, LLC  
 Bloomdale, LLC  
 Brentwood CLO, Ltd.  
 Brentwood Investors Corp.  
 Bristol Bay Funding Ltd.  
 C-1 Arbors, Inc.  
 C-1 Cutter's Point, Inc.  
 C-1 Eaglecrest, Inc.  
 C-1 Silverbrook, Inc.  
 Cabi Holdco GP, LLC  
 Cabi Holdco I, Ltd.  
 Cabi Holdco, L.P.  
 Camelback Residential Investors, LLC (fka Sevilla Residential Partners, LLC)  
 Camelback Residential Partners, LLC  
 Capital Real Estate - Latitude, LLC  
 Castle Bio, LLC  
 CG Works, Inc. (fka Common Grace Ventures, Inc.)  
 Claymore Holdings, LLC  
 Concord Management, LLC  
 Corbusier, Ltd.  
 CP Equity Hotel Owner, LLC  
 CP Equity Land Owner, LLC  
 CP Equity Owner, LLC  
 CP Hotel TRS, LLC  
 CP Land Owner, LLC  
 CP Tower Owner, LLC  
 Crossings 2017 LLC  
 Crown Global Insurance Company  
 Dallas Cityplace MF SPE Owner LLC  
 Dallas Lease and Finance, L.P.  
 DFA/BH Autumn Ridge, LLC  
 Dolomiti, LLC  
 DrugCrafters, L.P.  
 Dugaboy Management, LLC  
 Dugaboy Project Management GP, LLC

Dustin Norris  
 Eastland CLO, Ltd.  
 Eastland Investors Corp.  
 EDS Legacy Heliport, LLC  
 EDS Legacy Partners Owner, LLC  
 EDS Legacy Partners, LLC  
 Entegra Strat Superholdco, LLC  
 Entegra-FRO Holdco, LLC  
 Entegra-FRO Superholdco, LLC  
 Entegra-HOCF Holdco, LLC  
 Entegra-NHF Holdco, LLC  
 Entegra-NHF Superholdco, LLC  
 Entegra-RCP Holdco, LLC  
 Estates on Maryland Holdco, LLC  
 Estates on Maryland Owners SM, Inc.  
 Estates on Maryland Owners, LLC  
 Estates on Maryland, LLC  
 Falcon E&P Four Holdings, LLC  
 Falcon E&P One, LLC  
 Falcon E&P Opportunities Fund GP LLC  
 Falcon E&P Opportunities Fund, L.P.  
 Falcon E&P Opportunities GP, LLC  
 Falcon E&P Royalty Holdings, LLC  
 Falcon E&P Six, LLC  
 Falcon E&P Two, LLC  
 Falcon Four Midstream, LLC  
 Falcon Four Upstream, LLC  
 Falcon Incentive Partners GP, LLC  
 Falcon Incentive Partners, LP  
 Falcon Six Midstream, LLC  
 Fix Asset Management  
 Flamingo Vegas Holdco, LLC (fka Cabi Holdco, LLC)  
 Four Rivers Co-Invest, L.P.  
 Frank Waterhouse  
 FRBH Abbington SM, Inc.  
 FRBH Abbington, LLC  
 FRBH Arbors, LLC  
 FRBH Beechwood SM, Inc.  
 FRBH Beechwood, LLC  
 FRBH C1 Residential, LLC  
 FRBH Courtney Cove SM, Inc.  
 FRBH Courtney Cove, LLC  
 FRBH CP, LLC  
 FRBH Duck Creek, LLC  
 FRBH Eaglecrest, LLC  
 FRBH Edgewater JV, LLC  
 FRBH Edgewater Owner, LLC  
 FRBH Edgewater SM, Inc.  
 FRBH JAX-TPA, LLC  
 FRBH Nashville Residential, LLC

FRBH Regatta Bay, LLC  
 FRBH Sabal Park SM, Inc.  
 FRBH Sabal Park, LLC  
 FRBH Silverbrook, LLC  
 FRBH Timberglen, LLC  
 FRBH Willow Grove SM, Inc.  
 FRBH Willow Grove, LLC  
 FRBH Woodbridge SM, Inc.  
 FRBH Woodbridge, LLC  
 Freedom C1 Residential, LLC  
 Freedom Duck Creek, LLC  
 Freedom Edgewater, LLC  
 Freedom JAX-TPA Residential, LLC  
 Freedom La Mirage, LLC  
 Freedom LHV LLC  
 Freedom Lubbock LLC  
 Freedom Miramar Apartments, LLC  
 Freedom Sandstone, LLC  
 Freedom Willowdale, LLC  
 FRM Investment Management  
 Fundo de Investimento em Direitos Creditórios  
 BB Votorantim Highland Infraestrutura  
 G&E Apartment REIT The Heights at Olde  
 Towne, LLC  
 G&E Apartment REIT The Myrtles at Olde  
 Towne, LLC  
 GAF REIT, LLC  
 GAF Toys Holdco, LLC  
 Gardens of Denton II, L.P.  
 Gardens of Denton III, L.P.  
 Gleneagles CLO, Ltd.  
 Governance Ltd.  
 Governance Re, Ltd.  
 Governance, Ltd.  
 Grayson CLO, Ltd.  
 Grayson Investors Corp.  
 Greenbriar CLO, Ltd.  
 Grosvenor Capital Management, L.P.  
 Hakusan, LLC  
 Hammark Holdings LLC  
 Hampton Ridge Partners, LLC  
 Harko, LLC  
 Haverhill Acquisition Co., LLC  
 Haygood, LLC  
 HCBH 11611 Ferguson, LLC  
 HCBH Buffalo Pointe II, LLC  
 HCBH Buffalo Pointe III, LLC  
 HCBH Buffalo Pointe, LLC  
 HCBH Hampton Woods SM, Inc.  
 HCBH Hampton Woods, LLC  
 HCBH Overlook SM, Inc.

HCBH Overlook, LLC  
 HCBH Rent Investors, LLC  
 HCF Funds  
 HCMS Falcon GP, LLC  
 HCMS Falcon, L.P.  
 HCO Holdings, LLC  
 HCOF Preferred Holdings, LP  
 HCOF Preferred Holdings, Ltd.  
 HCRE 1775 James Ave, LLC  
 HCRE Addison TRS, LLC  
 HCRE Addison, LLC (fka HWS Addison, LLC)  
 HCRE Hotel Partner, LLC (fka HCRE HWS  
 Partner, LLC)  
 HCRE Las Colinas TRS, LLC  
 HCRE Las Colinas, LLC (fka HWS Las  
 Colinas, LLC)  
 HCRE Partners, LLC  
 HCRE Plano TRS, LLC  
 HCRE Plano, LLC (fka HWS Plano, LLC)  
 HCREF-II Holding Corp.  
 HCREF-III Holding Corp.  
 HCREF-IV Holding Corp.  
 HCREF-IX Holding Corp.  
 HCREF-V Holding Corp.  
 HCREF-VI Holding Corp.  
 HCREF-VII Holding Corp.  
 HCREF-VIII Holding Corp.  
 HCREF-XIII Holding Corp.  
 HCREF-XIV Holding Corp.  
 HCREF-XV Holding Corp.  
 HCSLR Camelback Investors (Cayman), Ltd.  
 HCSLR Camelback, LLC  
 HE 41, LLC  
 HE Capital 232 Phase I Property, LLC  
 HE Capital 232 Phase I, LLC  
 HE Capital Asante, LLC  
 HE Capital KR, LLC  
 HE CLO Holdco, LLC  
 HE Mezz KR, LLC  
 Heron Pointe Investors, LLC  
 HFP Asset Funding II, Ltd.  
 HFP Asset Funding III, Ltd.  
 HFRO Sub, LLC  
 Hibiscus HoldCo, LLC  
 Highland - First Foundation Income Fund  
 Highland 401(k) Plan  
 Highland Argentina Regional Opportunity Fund,  
 L.P.  
 Highland Argentina Regional Opportunity Fund,  
 Ltd.

Highland Argentina Regional Opportunity Master Fund, L.P.  
 Highland Capital Brasil Gestora de Recursos (fka Highland Brasilinvest Gestora de Recursos, LTDA; fka HBI Consultoria Empresarial, LTDA)  
 Highland Capital Insurance Solutions GP LLC  
 Highland Capital Insurance Solutions LP  
 Highland Capital Management AG (Highland Capital Management SA) (Highland Capital Management Ltd)  
 Highland Capital Management Fund Advisors, L.P. (fka Pyxis Capital, L.P.)  
 Highland Capital Management Latin America, L.P.  
 Highland Capital Management Latin America, L.P. (Relying Advisor)  
 Highland Capital Management Multi-Strategy Insurance Dedicated Fund, L.P.  
 Highland Capital Management Services, Inc.  
 Highland Capital Management, L.P.  
 Highland Capital Management, L.P. Charitable Fund  
 Highland Capital Management, L.P. Retirement Plan and Trust  
 Highland Capital of New York  
 Highland Capital of New York, Inc.  
 Highland Capital Real Estate Fund GP, LLC  
 Highland Capital Special Allocation, LLC  
 Highland CDO Opportunity Fund, L.P.  
 Highland CDO Opportunity Fund, Ltd.  
 Highland CDO Opportunity Master Fund, L.P.  
 Highland CDO Trust  
 Highland CLO 2018-1, Ltd.  
 Highland CLO Assets Holdings Limited  
 Highland CLO Funding, Ltd. (fka Acis Loan Funding, Ltd.)  
 Highland CLO Gaming Holdings, LLC  
 Highland CLO Management Ltd.  
 Highland CLO Trust  
 Highland Credit Opportunities CDO Asset Holdings GP, Ltd.  
 Highland Credit Opportunities CDO Asset Holdings, L.P.  
 Highland Credit Opportunities CDO Financing, LLC  
 Highland Credit Opportunities CDO, Ltd.  
 Highland Credit Opportunities Holding Corporation  
 Highland Credit Opportunities Japanese Feeder Sub-Trust

Highland Credit Strategies Fund, L.P.  
 Highland Credit Strategies Fund, Ltd.  
 Highland Credit Strategies Holding Corporation  
 Highland Credit Strategies Master Fund, L.P.  
 Highland Crusader Fund  
 Highland Dynamic Income Fund, L.P. (fka Highland Capital Loan Fund, L.P.)  
 Highland Dynamic Income Fund, Ltd. (fka Highland Loan Fund, Ltd.)  
 Highland Dynamic Income Master Fund, L.P. (fka Highland Loan Master Fund, L.P.)  
 Highland Energy Holdings, LLC  
 Highland Energy MLP Fund (fka Highland Energy and Materials Fund)  
 Highland eSports Private Equity Fund  
 Highland Fixed Income Fund  
 Highland Flexible Income UCITS Fund  
 Highland Floating Rate Fund  
 Highland Floating Rate Opportunities Fund (fka Highland Floating Rate Opportunities Fund II)  
 Highland Fund Holdings, LLC  
 Highland Funds I  
 Highland Funds II  
 Highland Funds III  
 Highland GAF Chemical Holdings, LLC  
 Highland General Partner, LP  
 Highland Global Allocation Fund (fka Highland Global Allocation Fund II)  
 Highland GP Holdings, LLC  
 Highland Healthcare Equity Income and Growth Fund  
 Highland iBoxx Senior Loan ETF  
 Highland Income Fund (fka Highland Floating Rate Opportunities Fund)  
 Highland Legacy Limited  
 Highland LF Chemical Holdings, LLC  
 Highland Loan Funding V, Ltd.  
 Highland Long/Short Equity Fund  
 Highland Long/Short Healthcare Fund  
 Highland Marcal Holding, Inc.  
 Highland Merger Arbitrage Fund  
 Highland Multi Strategy Credit Fund, Ltd. (fka Highland Credit Opportunities Fund, Ltd.)  
 Highland Multi Strategy Credit Fund, Ltd. (fka Highland Credit Opportunities Fund, Ltd.)  
 Highland Multi-Strategy Fund GP, LLC  
 Highland Multi-Strategy Fund GP, LP  
 Highland Multi-Strategy IDF GP, LLC  
 Highland Opportunistic Credit Fund  
 Highland Park CDO 1, Ltd.  
 Highland Premium Energy & Materials Fund

Highland Prometheus Feeder Fund I, L.P.  
 Highland Prometheus Feeder Fund II, L.P.  
 Highland Prometheus Master Fund, L.P.  
 Highland RCP Fund II, L.P.  
 Highland RCP II GP, LLC  
 Highland RCP II SLP GP, LLC  
 Highland RCP II SLP, L.P.  
 Highland RCP Parallel Fund II, L.P.  
 Highland Restoration Capital Partners Master, L.P.  
 Highland Restoration Capital Partners Offshore, L.P.  
 Highland Restoration Capital Partners, L.P.  
 Highland Select Equity Fund GP, L.P.  
 Highland Select Equity Fund, L.P.  
 Highland Small-Cap Equity Fund  
 Highland Socially Responsible Equity Fund (fka Highland Premier Growth Equity Fund)  
 Highland Tax-Exempt Fund  
 Highland TCI Holding Company, LLC  
 Highland Total Return Fund  
 Highland's Roads Land Holding Company, LLC  
 HMCf PB Investors, LLC  
 HRT North Atlanta, LLC  
 HRT Timber Creek, LLC  
 HRTBH North Atlanta, LLC  
 HRTBH Timber Creek, LLC  
 Huber Funding LLC  
 HWS Investors Holdco, LLC  
 James Dondero  
 Jasper CLO, Ltd.  
 Jewelry Ventures I, LLC  
 JMIJM, LLC  
 John Honis  
 Karisopolis, LLC  
 Keelhaul LLC  
 Kuilima Montalban Holdings, LLC  
 Kuilima Resort Holdco, LLC  
 KV Cameron Creek Owner, LLC  
 Lakes at Renaissance Park Apartments Investors, L.P.  
 Lakeside Lane, LLC  
 Landmark Battleground Park II, LLC  
 LAT Battleground Park, LLC  
 LAT Briley Parkway, LLC  
 Lauren Thedford  
 Leawood RE Holdings, LLC  
 Liberty Cayman Holdings, Ltd.  
 Liberty CLO, Ltd.  
 Long Short Equity Sub, LLC  
 Longhorn Credit Funding, LLC

Lurin Real Estate Holdings V, LLC  
 Mark and Pamela Okada Family Trust - Exempt Descendants' Trust  
 Mark and Pamela Okada Family Trust - Exempt Trust #2  
 Mark Okada  
 Markham Fine Jewelers, L.P.  
 Meritage Residential Partners, LLC  
 ML CLO XIX Sterling (Cayman), Ltd.  
 NCI Assets Holding Company LLC  
 New Jersey Tissue Company Holdco, LLC (fka Marcal Paper Mills Holding Company, LLC)  
 NexAnnuity Holdings, Inc.  
 NexBank Capital Inc.  
 NexBank Capital Trust I  
 NexBank Capital, Inc.  
 NexBank Land Advisors, Inc.  
 NexBank Securities, Inc.  
 NexBank SSB  
 NexBank Title, Inc. (dba NexVantage Title Services)  
 NexBank Wealth Advisors  
 NexPoint Advisors GP, LLC  
 NexPoint Advisors, L.P.  
 NexPoint Capital Inc.  
 NexPoint Capital REIT, LLC  
 NexPoint Capital, Inc. (fka NexPoint Capital, LLC)  
 NexPoint CR F/H DST, LLC  
 NexPoint Discount Strategies Fund (fka NexPoint Discount Yield Fund)  
 NexPoint Energy and Materials Opportunities Fund (fka NexPoint Energy Opportunities Fund)  
 NexPoint Event-Driven Fund (fkaNexPoint Merger Arbitrage Fund)  
 NexPoint Flamingo DST  
 NexPoint Flamingo Investment Co, LLC  
 NexPoint Flamingo Leaseco, LLC  
 NexPoint Flamingo Manager, LLC  
 NexPoint Funds  
 NexPoint Healthcare Opportunities Fund  
 NexPoint Hospitality Trust  
 NexPoint Hospitality, Inc.  
 NexPoint Hospitality, LLC  
 NexPoint Latin American Opportunities Fund  
 NexPoint Legacy 22, LLC  
 NexPoint Lincoln Porte Equity, LLC  
 NexPoint Lincoln Porte Manager, LLC  
 NexPoint Lincoln Porte, LLC (fka NREA Lincoln Porte, LLC)

NexPoint Multifamily Capital Trust, Inc. (fka  
 NexPoint Multifamily Realty Trust, Inc., fka  
 Highland Capital Realty Trust, Inc.)  
 NexPoint Multifamily Operating Partnership,  
 L.P.  
 NexPoint Peoria, LLC  
 NexPoint RE Finance Advisor GP, LLC  
 NexPoint RE Finance Advisor, L.P.  
 NexPoint Real Estate Advisors GP, LLC  
 NexPoint Real Estate Advisors II, L.P.  
 NexPoint Real Estate Advisors III, L.P.  
 NexPoint Real Estate Advisors IV, L.P.  
 NexPoint Real Estate Advisors V, L.P.  
 NexPoint Real Estate Advisors VI, L.P.  
 NexPoint Real Estate Advisors VII GP, LLC  
 NexPoint Real Estate Advisors VII, L.P.  
 NexPoint Real Estate Advisors VIII, L.P.  
 NexPoint Real Estate Advisors, L.P.  
 NexPoint Real Estate Capital, LLC (fka  
 Highland Real Estate Capital, LLC, fka  
 Highland Multifamily Credit Fund, LLC)  
 NexPoint Real Estate Finance OP GP, LLC  
 NexPoint Real Estate Finance Operating  
 Partnership, L.P.  
 NexPoint Real Estate Finance, Inc.  
 NexPoint Real Estate Opportunities, LLC (fka  
 Freedom REIT LLC)  
 NexPoint Real Estate Partners, LLC (fka HCRE  
 Partners, LLC)  
 NexPoint Real Estate Strategies Fund  
 NexPoint Residential Trust Inc.  
 NexPoint Residential Trust Operating  
 Partnership GP, LLC  
 NexPoint Residential Trust Operating  
 Partnership, L.P.  
 NexPoint Securities, Inc. (fka Highland Capital  
 Funds Distributor, Inc.) (fka Pyxis Distributors,  
 Inc.)  
 NexPoint Strategic Income Fund (fka NexPoint  
 Opportunistic Credit Fund, fka NexPoint  
 Distressed Strategies Fund)  
 NexPoint Strategic Opportunities Fund (fka  
 NexPoint Credit Strategies Fund)  
 NexPoint Texas Multifamily Portfolio DST (fka  
 NREA Southeast Portfolio Two, DST)  
 NexPoint WLIF I Borrower, LLC  
 NexPoint WLIF II Borrower, LLC  
 NexPoint WLIF III Borrower, LLC  
 NexStrat LLC  
 NexVest, LLC  
 NexWash LLC

NFRO REIT Sub, LLC  
 NFRO TRS, LLC  
 NHF CCD, Inc.  
 NHT 2325 Stemmons, LLC  
 NHT Beaverton TRS, LLC (fka NREA Hotel  
 TRS, Inc.)  
 NHT Beaverton, LLC  
 NHT Bend TRS, LLC  
 NHT Bend, LLC  
 NHT Destin TRS, LLC  
 NHT Destin, LLC  
 NHT DFW Portfolio, LLC  
 NHT Holdings, LLC  
 NHT Intermediary, LLC  
 NHT Nashville TRS, LLC  
 NHT Nashville, LLC  
 NHT Olympia TRS, LLC  
 NHT Olympia, LLC  
 NHT Operating Partnership GP, LLC  
 NHT Operating Partnership II, LLC  
 NHT Operating Partnership, LLC  
 NHT Salem, LLC  
 NHT SP Parent, LLC  
 NHT SP TRS, LLC  
 NHT SP, LLC  
 NHT Tigard TRS, LLC  
 NHT Tigard, LLC  
 NHT TRS, Inc.  
 NHT Uptown, LLC  
 NHT Vancouver TRS, LLC  
 NHT Vancouver, LLC  
 NMRT TRS, Inc.  
 NREA Adair DST Manager, LLC  
 NREA Adair Investment Co, LLC  
 NREA Adair Joint Venture, LLC  
 NREA Adair Leaseco Manager, LLC  
 NREA Adair Leaseco, LLC  
 NREA Adair Property Manager LLC  
 NREA Adair, DST  
 NREA Ashley Village Investors, LLC  
 NREA Cameron Creek Investors, LLC  
 NREA Cityplace Hue Investors, LLC  
 NREA Crossings Investors, LLC  
 NREA Crossings Ridgewood Coinvestment,  
 LLC (fka NREA Crossings Ridgewood  
 Investors, LLC)  
 NREA DST Holdings, LLC  
 NREA El Camino Investors, LLC  
 NREA Estates Inc.  
 NREA Estates Investment Co, LLC  
 NREA Estates Leaseco, LLC



NREA Estates Manager, LLC  
 NREA Estates Property Manager, LLC  
 NREA Estates, DST  
 NREA Gardens DST Manager, LLC  
 NREA Gardens Investment Co, LLC  
 NREA Gardens Leaseco Manager, LLC  
 NREA Gardens Leaseco, LLC  
 NREA Gardens Property Manager, LLC  
 NREA Gardens Springing LLC  
 NREA Gardens Springing Manager, LLC  
 NREA Gardens, DST  
 NREA Hidden Lake Investment Co, LLC  
 NREA Hue Investors, LLC  
 NREA Keystone Investors, LLC  
 NREA Meritage Inc.  
 NREA Meritage Investment Co, LLC  
 NREA Meritage Leaseco, LLC  
 NREA Meritage Manager, LLC  
 NREA Meritage Property Manager, LLC  
 NREA Meritage, DST  
 NREA Oaks Investors, LLC  
 NREA Retreat Investment Co, LLC  
 NREA Retreat Leaseco, LLC  
 NREA Retreat Manager, LLC  
 NREA Retreat Property Manager, LLC  
 NREA Retreat, DST  
 NREA SE One Property Manager, LLC  
 NREA SE Three Property Manager, LLC  
 NREA SE Two Property Manager, LLC  
 NREA SE1 Andros Isles, DST (Converted from  
 DK Gateway Andros, LLC)  
 NREA SE1 Arborwalk, DST (Converted from  
 MAR Arborwalk, LLC)  
 NREA SE1 Towne Crossing, DST (Converted  
 from Apartment REIT Towne Crossing, LP)  
 NREA SE1 Walker Ranch, DST (Converted  
 from SOF Walker Ranch Owner, L.P.)  
 NREA SE2 Hidden Lake, DST (Converted from  
 SOF Hidden Lake SA Owner, L.P.)  
 NREA SE2 Vista Ridge, DST (Converted from  
 MAR Vista Ridge, L.P.)  
 NREA SE2 West Place, DST (Converted from  
 Landmark at West Place, LLC)  
 NREA SE3 Arboleda, DST (Converted from  
 G&E Apartment REIT Arboleda, LLC)  
 NREA SE3 Fairways, DST (Converted from  
 MAR Fairways, LLC)  
 NREA SE3 Grand Oasis, DST (Converted from  
 Landmark at Grand Oasis, LP)  
 NREA Southeast Portfolio One, DST  
 NREA Southeast Portfolio Three, DST

NREA Southeast Portfolio Two, LLC  
 NREA SOV Investors, LLC  
 NREA Uptown TRS, LLC  
 NREA VB I LLC  
 NREA VB II LLC  
 NREA VB III LLC  
 NREA VB IV LLC  
 NREA VB Pledgor I LLC  
 NREA VB Pledgor II LLC  
 NREA VB Pledgor III LLC  
 NREA VB Pledgor IV LLC  
 NREA VB Pledgor V LLC  
 NREA VB Pledgor VI LLC  
 NREA VB Pledgor VII LLC  
 NREA VB SM, Inc.  
 NREA VB V LLC  
 NREA VB VI LLC  
 NREA VB VII LLC  
 NREA Vista Ridge Investment Co, LLC  
 NREC AR Investors, LLC  
 NREC Latitude Investors, LLC  
 NREC REIT Sub, Inc.  
 NREC TRS, Inc.  
 NREC WW Investors, LLC  
 NREF OP I Holdco, LLC  
 NREF OP I SubHoldco, LLC  
 NREF OP I, L.P.  
 NREF OP II Holdco, LLC  
 NREF OP II SubHoldco, LLC  
 NREF OP II, L.P.  
 NREF OP IV REIT Sub TRS, LLC  
 NREF OP IV REIT Sub, LLC  
 NREF OP IV, L.P.  
 NREO NW Hospitality Mezz, LLC  
 NREO NW Hospitality, LLC  
 NREO Perilune, LLC  
 NREO SAFStor Investors, LLC  
 NREO TRS, Inc.  
 NRESF REIT Sub, LLC  
 NXRT Abbington, LLC  
 NXRT Atera II, LLC  
 NXRT Atera, LLC  
 NXRT AZ2, LLC  
 NXRT Barrington Mill, LLC  
 NXRT Bayberry, LLC  
 NXRT Bella Solara, LLC  
 NXRT Bella Vista, LLC  
 NXRT Bloom, LLC  
 NXRT Brandywine GP I, LLC  
 NXRT Brandywine GP II, LLC  
 NXRT Brandywine LP, LLC

NXRT Brentwood Owner, LLC  
 NXRT Brentwood, LLC  
 NXRT Cedar Pointe Tenant, LLC  
 NXRT Cedar Pointe, LLC  
 NXRT Cityview, LLC  
 NXRT Cornerstone, LLC  
 NXRT Crestmont, LLC  
 NXRT Enclave, LLC  
 NXRT Glenview, LLC  
 NXRT H2 TRS, LLC  
 NXRT Heritage, LLC  
 NXRT Hollister TRS LLC  
 NXRT Hollister, LLC  
 NXRT LAS 3, LLC  
 NXRT Master Tenant, LLC  
 NXRT Nashville Residential, LLC (fka Freedom  
 Nashville Residential, LLC)  
 NXRT North Dallas 3, LLC  
 NXRT Old Farm, LLC  
 NXRT Pembroke Owner, LLC  
 NXRT Pembroke, LLC  
 NXRT PHX 3, LLC  
 NXRT Radbourne Lake, LLC  
 NXRT Rockledge, LLC  
 NXRT Sabal Palms, LLC  
 NXRT SM, Inc.  
 NXRT Steeplechase, LLC  
 NXRT Stone Creek, LLC  
 NXRT Summers Landing GP, LLC  
 NXRT Summers Landing LP, LLC  
 NXRT Torreyana, LLC  
 NXRT Vanderbilt, LLC  
 NXRT West Place, LLC  
 NXRTBH AZ2, LLC  
 NXRTBH Barrington Mill Owner, LLC  
 NXRTBH Barrington Mill SM, Inc.  
 NXRTBH Barrington Mill, LLC  
 NXRTBH Bayberry, LLC  
 NXRTBH Cityview, LLC  
 NXRTBH Colonnade, LLC  
 NXRTBH Cornerstone Owner, LLC  
 NXRTBH Cornerstone SM, Inc.  
 NXRTBH Cornerstone, LLC  
 NXRTBH Dana Point SM, Inc.  
 NXRTBH Dana Point, LLC  
 NXRTBH Foothill SM, Inc.  
 NXRTBH Foothill, LLC  
 NXRTBH Heatherstone SM, Inc.  
 NXRTBH Heatherstone, LLC  
 NXRTBH Hollister Tenant, LLC  
 NXRTBH Hollister, LLC

NXRTBH Madera SM, Inc.  
 NXRTBH Madera, LLC  
 NXRTBH McMillan, LLC  
 NXRTBH North Dallas 3, LLC  
 NXRTBH Old Farm II, LLC  
 NXRTBH Old Farm Tenant, LLC  
 NXRTBH Old Farm, LLC  
 NXRTBH Radbourne Lake, LLC  
 NXRTBH Rockledge, LLC  
 NXRTBH Sabal Palms, LLC  
 NXRTBH Steeplechase, LLC (dba Southpoint  
 Reserve at Stoney Creek)-VA  
 NXRTBH Stone Creek, LLC  
 NXRTBH Vanderbilt, LLC  
 NXRTBH Versailles SM, Inc.  
 NXRTBH Versailles, LLC  
 Oak Holdco, LLC  
 Oaks CGC, LLC  
 Okada Family Revocable Trust  
 Pam Capital Funding GP Co. Ltd.  
 Pam Capital Funding, L.P.  
 PamCo Cayman Ltd.  
 Park West 1700 Valley View Holdco, LLC  
 Park West 2021 Valley View Holdco, LLC  
 Park West Holdco, LLC  
 Park West Portfolio Holdco, LLC  
 PCMG Trading Partners XXIII, L.P.  
 PDK Toys Holdco, LLC  
 Pear Ridge Partners, LLC  
 Penant Management GP, LLC  
 PensionDanmark  
 Pensionsforsikringsaktieselskab  
 Perilune Aero Equity Holdings One, LLC  
 PetroCap Incentive Partners II, L.P.  
 PetroCap Partners II, L.P.  
 PetroCap Partners III, L.P.  
 Pharmacy Ventures I, LLC  
 Pharmacy Ventures II, LLC  
 Powderhorn, LLC  
 PWM1 Holdings, LLC  
 PWM1, LLC  
 RADCO NREC Bay Meadows Holdings, LLC  
 RADCO NREC Bay Park Holdings, LLC  
 Ramarim, LLC  
 Rand Advisors Series I Insurance Fund  
 Rand Advisors Series II Insurance Fund  
 Rand PE Fund I, L.P.  
 Rand PE Fund Management LLC  
 Red River CLO, Ltd.  
 Red River Investors Corp.  
 Riverview Partners SC, LLC

Rockwall CDO II Ltd.  
 Rockwall CDO, Ltd.  
 Rockwall Investors Corp.  
 Rothko, Ltd.  
 RTT Hollister, LLC  
 RTT Rockledge, LLC  
 Sandstone Pasadena Apartments, LLC  
 Scott Ellington  
 SE Governors Green Holdings, L.L.C. (fka SCG  
 Atlas Governors Green Holdings, L.L.C.)  
 SE Governors Green I, LLC  
 SE Governors Green REIT, L.L.C. (fka SCG  
 Atlas Governors Green REIT, L.L.C.)  
 SE Governors Green, LLC (fka SCG Atlas  
 Governors Green, L.L.C.)  
 SE Oak Mill I Holdings, LLC (fka SCG Atlas  
 Oak Mill I Holdings, L.L.C.)  
 SE Oak Mill I Owner, LLC (fka SCG Atlas Oak  
 Mill I, L.L.C.)  
 SE Oak Mill I REIT, LLC (fka SCG Atlas Oak  
 Mill I REIT, L.L.C.)  
 SE Oak Mill I, LLC  
 SE Oak Mill II Holdings, LLC (fka SCG Atlas  
 Oak Mill II Holdings, L.L.C.)  
 SE Oak Mill II Owner, LLC (fka SCG Atlas  
 Oak Mill II, L.L.C.)  
 SE Oak Mill II REIT, LLC (fka SCG Atlas Oak  
 Mill II REIT, L.L.C.)  
 SE Oak Mill II, LLC  
 SE Stoney Ridge Holdings, L.L.C. (fka SCG  
 Atlas Stoney Ridge Holdings, L.L.C.)  
 SE Stoney Ridge I, LLC  
 SE Stoney Ridge REIT, L.L.C. (fka SCG Atlas  
 Stoney Ridge REIT, L.L.C.)  
 SE Stoney Ridge, LLC (fka SCG Atlas Stoney  
 Ridge, L.L.C.)  
 SFH1, LLC  
 SFR WLIF I, LLC (fka NexPoint WLIF I, LLC)  
 SFR WLIF II, LLC (NexPoint WLIF II, LLC)  
 SFR WLIF III, LLC (NexPoint WLIF III, LLC)  
 SFR WLIF Manager, LLC (NexPoint WLIF  
 Manager, LLC)  
 SFR WLIF, LLC (NexPoint WLIF, LLC)  
 SFR WLIF, LLC Series I  
 SFR WLIF, LLC Series II  
 SFR WLIF, LLC Series III  
 Small Cap Equity Sub, LLC  
 Socially Responsible Equity Sub, LLC  
 SOF Brandywine I Owner, L.P.  
 SOF Brandywine II Owner, L.P.  
 SOF-X GS Owner, L.P.

Southfork Cayman Holdings, Ltd.  
 Southfork CLO, Ltd.  
 Specialty Financial Products Designated  
 Activity Company (fka Specialty Financial  
 Products Limited)  
 Spiritus Life, Inc.  
 SRL Whisperwod LLC  
 SRL Whisperwood Member LLC  
 SRL Whisperwood Venture LLC  
 SSB Assets LLC  
 Stonebridge PEF  
 Stonebridge-Highland Healthcare Private Equity  
 Fund  
 Strand Advisors III, Inc.  
 Strand Advisors IV, LLC  
 Strand Advisors IX, LLC  
 Strand Advisors V, LLC  
 Strand Advisors XIII, LLC  
 Strand Advisors XVI, Inc.  
 Strand Advisors, Inc.  
 Stratford CLO, Ltd.  
 Summers Landing Apartment Investors, L.P.  
 The Dugaboy Investment Trust  
 The Get Good Non-Exempt Trust No. 1  
 The Get Good Non-Exempt Trust No. 2  
 The Get Good Trust  
 The Ohio State Life Insurance Company  
 The Okada Family Foundation, Inc.  
 The SLHC Trust  
 Thread 55, LLC  
 Tranquility Lake Apartments Investors, L.P.  
 Trey Parker  
 Tricor Business Outsourcing  
 Turtle Bay Holdings, LLC  
 Tuscany Acquisition, LLC  
 United States Army Air Force Exchange  
 Services  
 Uptown at Cityplace Condominium Association,  
 Inc.  
 US Gaming OpCo, LLC  
 Valhalla CLO, Ltd.  
 VB GP LLC  
 VB Holding, LLC  
 VB One, LLC  
 VB OP Holdings LLC  
 VBAnnex C GP, LLC  
 VBAnnex C Ohio, LLC  
 VBAnnex C, LP  
 Vinebrook Annex B, L.P.  
 Vinebrook Annex I, L.P.  
 Vinebrook Homes Merger Sub II LLC

VineBrook Homes Merger Sub LLC  
VineBrook Homes OP GP, LLC  
VineBrook Homes Operating Partnership, L.P.  
VineBrook Homes Trust, Inc.  
VineBrook Partners I, L.P.  
VineBrook Partners II, L.P.  
VineBrook Properties, LLC  
Wake LV Holdings II, Ltd.  
Wake LV Holdings, Ltd.  
Walter Holdco GP, LLC  
Walter Holdco I, Ltd.  
Walter Holdco, L.P.  
Westchester CLO, Ltd.  
Yellow Metal Merchants, Inc.

**Taxing & Other Governmental  
Authorities**

Los Angeles County Tax Collector  
State of California Franchise Tax Board  
State of Delaware Division of Revenue  
U.S.  
U.S. Internal Revenue Service

**Banks and Secured Parties**

BBVA  
Frontier State Bank  
Jefferies, LLC Prime Brokerage Services  
KeyBank National Association  
The Mark and Pamela Okada Family Trust –  
Exempt Trust #1

**Bankruptcy Judges – Northern District of  
Texas**

Chief Judge Barbara J. Houser  
Judge Harlin D. Hale  
Judge Stacey G. Jernigan  
Judge Edward L. Morris  
Judge Mark X. Mullin  
Judge Robert L. Jones

**US Trustee & Trial Attorneys – Northern  
District of Texas**

Lisa Lambert  
Meredyth Kippes  
Stephen McKitt

Nancy Resnick  
Erin Schmidt  
Elizabeth Young

**Notice Parties**

Alvarez & Marshal CF Management, LLC  
Coleman County TAD  
Fannin CAD  
Allen ISD  
Rockwall CAD  
Kaufman County  
Tarrant County  
Dallas County  
Upshur County  
Grayson County  
Irving ISD  
Pension Benefit Guaranty Corporation  
Patrick Daugherty  
Hunter Mountain Trust  
Integrated Financial Associates  
BET Investments, II, L.P.  
Crescent TC Investors, L.P.  
Intertrust Entities  
CLO Entities

**Schedule 2**

**Results of Conflicts Search**

- (a) Circumstances in which Sidley has represented clients other than the Committee in matters involving the Debtor:

- (1) Before the Committee was formed, Sidley appeared on behalf of Jefferies, LLC (“Jefferies”), a creditor of the Debtor, in connection with the Debtor’s cash collateral motion (the “Cash Collateral Motion”) at the first hearing in the Chapter 11 Case. Prior to the formation of the Committee, Sidley notified Jefferies that it would no longer represent Jefferies in this matter if the Committee decided to retain Sidley as its counsel. After the Committee voted to retain Sidley on October 29, 2019, Sidley and Jefferies agreed that Sidley would no longer represent Jefferies in this matter, and Jefferies has since retained another law firm to represent its interests in the case. Sidley believes that its prior representation of Jefferies does not affect its representation of the Committee in this Chapter 11 Case. Nevertheless, out of an abundance of caution, the Sidley attorneys who advised Jefferies in connection with the Cash Collateral Motion will not be part of the team of Sidley attorneys representing the Committee in this Chapter 11 Case.

- (b) Representations by Sidley of the Debtor

Active Unrelated Representations	Former Unrelated Representations
None	None

- (c) Representations by Sidley of the Debtor’s Top 20 Unsecured Creditors

Active Unrelated Representations	Former Unrelated Representations
American Arbitration Association UBS AG, London Branch Duff & Phelps	DLA Piper LLP

- (d) Representations by Sidley of Related Professionals

Active Unrelated Representations	Former Unrelated Representations
FTI Consulting  <u>Sidley represents a subsidiary or affiliate of:</u> Morrison Cohen LLP	None

- (e) Representations by Sidley of the Debtor’s Equity Holders (Direct and Indirect)

Active Unrelated Representations	Former Unrelated Representations
None	None

- (f) Representations by Sidley of the Debtor’s Affiliated Parties

Active Unrelated Representations	Former Unrelated Representations
NexBank Capital, Inc. Pershing LLC	Ohio State Life Insurance Company

## (g) Representations by Sidley of Other Parties

Active Unrelated Representations	Former Unrelated Representations
Brentwood Investors Corp. Concord Management, LLC Grosvenor Capital Management, L.P FRM Investment Management	

## (h) Representations by Sidley of the Debtor's Taxing and Governmental Authorities

Active Unrelated Representations	Former Unrelated Representations
Los Angeles County	None

## (i) Representations by Sidley of Debtor's Banks and Secured Parties

Active Unrelated Representations	Former Unrelated Representations
Jefferies, LLC Prime Brokerage Services KeyBank National Association  <u>Sidley represents a subsidiary or affiliate of:</u> BBVA	None

## (j) Representations by Sidley of the Bankruptcy Court Judges and Office of the United States Trustee of the Northern District of Texas

Active Unrelated Representations	Former Unrelated Representations
None	None

## (k) Representations by Sidley of the Notice Parties

Active Unrelated Representations	Former Unrelated Representations
Alvarez & Marshal CF Management, LLC  <u>Sidley represents a subsidiary or affiliate of:</u> Integrated Financial Associates	None

**EXHIBIT C**

**Felton Declaration**



**IN THE UNITED STATES BANKRUPTCY COURT  
FOR THE NORTHERN DISTRICT OF TEXAS  
DALLAS DIVISION**

In re:

HIGHLAND CAPITAL MANAGEMENT, L.P.,<sup>1</sup>

Debtor.

Chapter 11

Case No. 19-34054 (SGJ)

**DECLARATION OF ERIC A. FELTON IN SUPPORT OF APPLICATION OF THE  
OFFICIAL COMMITTEE OF UNSECURED CREDITORS, PURSUANT TO  
SECTIONS 328 AND 1103 OF THE BANKRUPTCY CODE AND FEDERAL RULE  
OF BANKRUPTCY PROCEDURE 2014 FOR AN ORDER APPROVING THE  
RETENTION AND EMPLOYMENT OF SIDLEY AUSTIN LLP AS COUNSEL TO THE  
OFFICIAL COMMITTEE OF UNSECURED CREDITORS**

I, Eric A. Felton, declare under penalty of perjury as follows:

1. I, Eric A. Felton, am a representative of the Redeemer Committee of the Highland Crusader Fund (“Redeemer”). Redeemer was elected to be the Chairperson of the Official Committee of Unsecured Creditors (the “Committee”) appointed in the above-captioned chapter 11 proceeding (the “Chapter 11 Case”). I am authorized to submit this declaration (the “Declaration”) in support of the *Application of the Official Committee of Unsecured Creditors, Pursuant to Sections 328 and 1103 of the Bankruptcy Code and Federal Rule of Bankruptcy Procedures 2014 for an Order Approving the Retention and Employment of Sidley Austin LLP as Counsel to the Official Committee of Unsecured Creditors* (the “Application”)<sup>2</sup> on behalf of the Committee.

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<sup>1</sup> The Debtor’s last four digits of its taxpayer identification number are (6725). The headquarters and service address for the above-captioned Debtor is 300 Crescent Court, Suite 700, Dallas, TX 75201.

<sup>2</sup> Capitalized terms not otherwise defined herein shall have the meanings ascribed to them in the Application.

### **The Committee's Selection of Sidley as Counsel**

2. On October 29, 2019, the Office of the U.S. Trustee appointed the Committee pursuant to section 1102 of the Bankruptcy Code. The Committee consists of the following four (4) members: (i) Redeemer Committee of Highland Crusader Fund; (ii) Meta-e Discovery; (iii) UBS Securities LLC and UBS AG London Branch; and (iv) Acis Capital Management, L.P. and Acis Capital Management GP, LLP.

3. At a meeting held on October 29, 2019, the Committee, among other things, voted to retain Sidley as its counsel, subject to Court approval. The Committee selected Sidley as its counsel after interviewing four (4) other law firms.

4. The Committee believes that Sidley's extensive experience in corporate reorganizations, both out of court and under chapter 11 of the Bankruptcy Code, makes it well qualified to represent the Committee in this Chapter 11 Case in an efficient and timely manner.

### **Rate Structure**

5. Sidley has informed the Committee that its rates for bankruptcy representations are consistent with and comparable to the rates Sidley charges for non-bankruptcy representations. Sidley has informed the Committee that its current hourly rates apply to non-bankruptcy services, if any, provided by the Firm, unless a contingent fee, mixed contingent fee, flat fee, or blended rate arrangement is agreed upon.

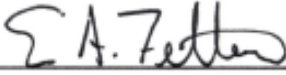
### **Cost Supervision**

6. The Committee will approve any prospective budget and staffing plan provided by Sidley, recognizing that, in the course of large chapter 11 cases like this Chapter 11 Case, it is possible that there may be a number of unforeseen fees and expenses that will need to be addressed by the Committee and Sidley. I further recognize that it is the Committee's responsibility to closely monitor the billing practices of its professionals to ensure the fees and expenses paid by

the estate remain consistent with the Committee's expectations and the exigencies of the Chapter 11 Case. The Committee will review the invoices that Sidley regularly submits, and, together with Sidley, periodically amend any budget and staffing plans, as the case develops.

Pursuant to 28 U.S.C. § 1746, I declare under penalty of perjury that the foregoing is true and correct to the best of my knowledge and belief.

Date: December 6, 2019

By:   
Eric A. Felton, in his capacity as a  
representative of the Redeemer Committee of  
the Highland Crusader Fund